

KENTUCKY AGRI-NEWS



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FEATURING: Agricultural Prices Milk Production Farm Labor Annual Honey Slaughter
Cold Storage Cattle on Feed Chicken & Eggs Crop Values Farm Numbers

LIVESTOCK PRICES MIXED AS CROP PRICES TURN DOWN

Mid-month prices received by **Kentucky** farmers were mixed for livestock and down for crops.

Steers and heifers 500 lbs. and over at mid-February averaged \$72.00 per cwt., down \$2.00 from January and \$5.00 from February 2002. **Beef cows** averaged \$35.00 per cwt., up \$3.00 from the previous month and down \$5.00 from the previous year. **Calves** under 500 pounds averaged \$86.00 per cwt. The mid-February price was up \$2.00 from January while down \$9.00 from February 2002.

Prices received for **barrows and gilts** for mid-February was \$34.00 per cwt., up \$2.00 from the previous month while down \$4.00 from the previous year. **Sows** averaged \$23.00 per cwt. This was up \$1.00 from January while down \$4.00 from February 2002.

The **all milk** price for mid-month was \$12.50 per cwt. This was down 30 cents from January and \$1.40 from the previous year's price. This was the lowest milk price since April 1999.

Corn, soybean and winter wheat prices were all down from the previous month while up from the previous year. The **corn** price was \$2.50 per bushel, down 5 cents from January while up 36 cents from February 2002. **Soybean** price was \$5.70 per bushel for mid-February. This was down 7 cents from last month but up \$1.27 from a year earlier. **Winter wheat** averaged \$3.45 per bushel. This was down 4 cents from January while up 62 cents from February 2002.

The preliminary **U.S.** All Farm Products Index of Prices Received by Farmers in February was 99, based on 1990-92=100, unchanged from the January index. Higher prices for cattle, hogs, corn, and soybeans offset lower prices for tomatoes, broilers, wheat, and eggs. The seasonal change in the mix of commodities farmers sell also affects the overall index. Increased marketings of cattle, broilers, eggs, and strawberries offset decreased marketings of corn, soybeans, wheat, and oranges.

The preliminary All Farm Products Index was also unchanged from February 2002. Higher prices for corn, soybeans, cattle, and cotton more than offset lower prices for lettuce, hogs, broccoli, and potatoes.

AVERAGE PRICES RECEIVED BY FARMERS (Dollars)

COMMODITY	UNIT	KENTUCKY		US	
		FEB 2002	JAN 2003	FEB 2003	FEB 2003
		Entire Month		Mid-Month g/	
All Corn b/ c/	Bu.	2.14	2.55	2.50	2.35
Soybeans b/	Bu.	4.43	5.77	5.70	5.57
Winter Wheat b/	Bu.	2.83	3.49	3.45	3.53
Alfalfa Hay, baled	Ton	105.00	100.00	105.00	96.40
All Other Hay, baled	Ton	61.00	58.00	61.00	79.40
All Hogs	Cwt.	37.60	31.60	33.60	34.40
Barrows & Gilts	Cwt.	38.00	32.00	34.00	35.00
Sows	Cwt.	27.00	22.00	23.00	23.20
All Beef Cattle d/	Cwt.	68.10	63.90	63.10	74.60
Steers & Heifers e/	Cwt.	77.00	74.00	72.00	78.90
Cows	Cwt.	40.00	32.00	35.00	38.10
Calves f/	Cwt.	95.00	84.00	86.00	97.60
Milk Wholesale					
All	Cwt.	13.90	12.80	12.50	11.50
Hog-Corn Ratios g/	Bu.	17.6	12.4	13.4	14.6

g/Preliminary. b/Includes contract sales paid during month. c/Includes yellow and white corn. d/"Steers and heifers" and "cows" combined. e/500 lbs. and over. f/Under 500 lbs. g/Number of bushels of corn equal in value to 100 lbs. of hog live weight.

U. S. MILK PRODUCTION UP 1.8 PERCENT

Kentucky milk production for January 2003 totaled 132 million pounds, down 8 percent from a year earlier, but up 2 percent from last month. Average number of cows on farms at 120,000 head was down 3,000 head from last year but unchanged from last month. Milk per cow averaged 1,100 pounds, down 70 pounds from January 2002, but up 25 pounds from December 2002.

Milk production in the **20 major States** during January totaled 12.5 billion pounds, up 1.8 percent from January

2002. December revised production, at 12.3 billion pounds was up 1.6 percent from December 2001. The December revision represented an increase of 0.6 percent or 70 million pounds from last month's preliminary production estimate. Production per cow in the 20 major States averaged 1,608 pounds for January, 17 pounds above January 2002. The number of cows on farms in the 20 major States was 7.81 million head, 56,000 head more than January 2002, and 4,000 head more than December 2002.

MILK COWS & MILK PRODUCTION DECEMBER & JANUARY, SELECTED STATES

STATE	Revised December				January				
	Milk Cows 1/		Production 2/		Milk Cows 1/		Production 2/		'03% of '02
	2001	2002	2001	2002	2002	2003	2002	2003	
	1,000 Head		Million Pounds		1,000 Head		Million Pounds		
CA	1,619	1,676	2,809	2,933	1,624	1,681	2,834	2,975	105
IL	115	115	171	173	115	114	178	180	101
IN	155	146	226	221	155	146	225	224	100
KY	125	120	141	129	123	120	144	132	92
MN	500	480	730	713	495	480	750	730	97
MO	141	134	161	162	140	134	169	166	98
OH	258	260	374	365	260	260	385	374	97
TX	310	311	431	456	310	311	462	482	104
VA	119	119	165	154	120	118	167	158	95
WI	1,280	1,266	1,837	1,855	1,279	1,265	1,874	1,885	101
20-State Total	7,752	7,801	12,100	12,290	7,749	7,805	12,327	12,547	102

1/ Includes dry cows, excludes heifers not yet fresh. 2/ Excludes milk sucked by calves.

U.S. HIRED WORKERS DOWN 1 PERCENT, WAGES UP 4 PERCENT

There were 884,000 hired workers on the **Nation's** farms and ranches the week of January 12-18, 2003, down 1 percent from a year ago. Of these hired workers, 724,000 workers were hired directly by farm operators. Agricultural service employees on farms and ranches made up the remaining 160,000 workers.

Farm operators paid their hired workers an average wage of \$9.32 per hour during the January 2003 reference week, up 35 cents from a year earlier. Field workers received an average of \$8.29 per hour, up 4 cents from last January,

while livestock workers earned \$8.91 per hour compared with \$8.20 a year earlier. The field and livestock worker combined wage rate at \$8.50 per hour was up 27 cents from last year.

The number of hired workers on farms in the **3-State Region including Kentucky**, Tennessee, and West Virginia totaled 32,000 during the week of January 12-18, 2003. Hired workers worked an average 29.3 hours during the survey week. The average wage rate for all hired workers was \$7.98 per hour. Field workers averaged \$7.34 per hour and livestock workers averaged \$7.87 per hour.

HONEY PRODUCTION

Honey production during 2002 for **Kentucky** totaled 162,000 pounds, down 72,000 pounds from the previous year. Yield per colony averaged 54 pounds, down 24 pounds from 2001. The number of colonies producing honey totaled 3,000, unchanged from 2001.

As of December 15, 2002, Kentucky producers had 47,000 pounds of honey on hand for sale, compared with 94,000 pounds the previous year. The average price received for all classes of honey during 2002 was \$1.65 per pound, compared with \$1.41 during 2001. The value of Kentucky honey production during 2002 was \$267,000, compared with \$330,000 a year ago.

U.S. honey production in 2002 from producers with five or more colonies totaled 171 million pounds, down 8 percent from 2001. There were 2.52 million colonies producing honey in 2002, up 1 percent from 2001. Yield per colony averaged 67.8 pounds, down 8 percent from the 74.0 pounds in 2001.

Colonies which produced honey in more than one State were counted in each State and yields per colony may therefore be understated. Colonies were not included if honey was not harvested. Producer honey stocks were 39.0 million pounds on December 15, 2002, down 40 percent from a year earlier. Stocks held by producers exclude stocks held under the commodity loan program.

Honey prices increased to a record high during 2002 to 128.6 cents, up 83 percent from 70.4 cents in 2001. Prices are based on retail sales by producers and sales to private processors and cooperatives. State level honey prices reflect the portions of honey sold through retail, co-op and private channels. U.S. honey prices for each color class are derived by weighing quantities sold for each marketing channel at the U.S. level. Honey prices for 2002 were higher than the previous year for all color classes. Some 2001 crop honey was sold at the higher prices in 2002, which caused some revisions to the 2001 crop prices.

RED MEAT PRODUCTION

COMMERCIAL RED MEAT PRODUCTION ^{1/}

Commercial red meat production for the United States totaled 4.08 billion pounds in January, relatively unchanged from a year ago. January 2002 contained 23 weekdays (including two holidays) and 4 Saturdays. January 2003 contained 23 weekdays (including two holidays) and 4 Saturdays.

Type	Jan. 2002	Dec. 2002	Jan. 2003	Jan. 03 % of	
				Jan. 2002	Dec. 2002
	Million Pounds			Percent	
Beef	2,330	2,107	2,292	98	109
Veal	16.9	18.0	17.9	106	99
Pork	1,716	1,715	1,749	102	102
Lamb & Mutton	17.6	18.5	15.9	90	86
Total U.S.	4,081	3,859	4,076	100	106
Total Kentucky	40.2	39.8	41.5	103	104

^{1/} Based on packers' dressed weights and excludes farm slaughter.

COMMERCIAL SLAUGHTER, JANUARY 2002 & 2003 ^{1/}

Type	Number Slaughtered		Total Live Weight		Average Live	
	2002	2003	2002	2003	2002	2003
	1,000 head		1,000 lbs.		Pounds	
Kentucky						
Cattle	1.7	1.8	1,517	1,543	869	852
Hogs	195.7	202.2	52,429	54,137	268	268
Sheep & Lambs	0.7	0.6	112	84	152	144
United States						
Cattle	3,055.8	3,007.0	3,851,455	3,814,30	1,260	1,268
Hogs	8,657.8	8,787.5	2,317,054	2,353,49	268	268
Sheep & Lambs	254.9	238.8	35,642	31,856	140	133

^{1/} Includes slaughter under Federal inspection and other Commercial slaughter, excludes farm slaughter.

Beef production, at 2.29 billion pounds, was 2 percent below the previous year. Cattle slaughter totaled 3.01 million head, down 2 percent from January 2002. The average live weight was 1,268 pounds, up 8 pounds from January a year ago.

Pork production totaled 1.75 billion pounds, up 2 percent from the previous year and a monthly record high. Hog kill totaled 8.79 million head, 1 percent above January 2002. The average live weight was 268 pounds, unchanged from January a year ago.

Frozen food stocks in refrigerated warehouses on January 31, 2003, were greater than year earlier levels for poultry, red meat, and orange juice concentrate.

COLD STORAGE HIGHLIGHTS

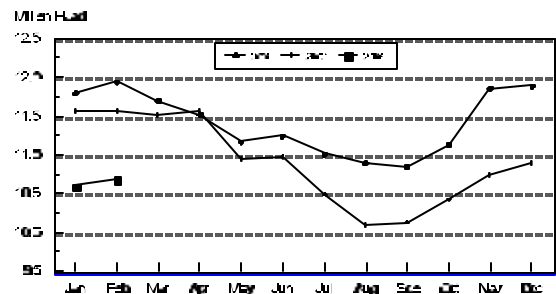
All U.S. Warehouse Stocks				Jan 03 as % of	
Commodity	Jan 31, 2002	Dec 31,	Jan 31,	Jan 2002	Dec
Frozen Poultry	1,000 lbs			Percent	
Chicken:					
Broilers (Whole)	24,716	26,421	25,938	105	98
Other Chicken	693,414	736,243	693,321	100	94
Total Chicken ^{1/}	724,579	768,084	723,832	100	94
Turkey	327,056	333,047	436,445	123	131
Total Frozen Poultry	1,058,097	1,107,529	1,165,499	107	105
Meat					
Total Frozen Beef	455,451	524,641	490,166	108	93
Pork:					
Bellies	50,849	28,254	33,400	66	118
Total Frozen Pork	503,882	468,501	512,816	102	109
Total Meat ^{4/}	982,574	1,011,471	1,022,880	104	101

^{1/} Includes broilers, hens and other chickens. ^{2/} Includes chicken, turkey and ducks. ^{3/} Includes picnics, hams, bellies, loins, ribs, trimmings, and other frozen pork. ^{4/} Includes frozen beef, pork, veal, lamb and mutton, other frozen meat, canned hams, and other canned meat.

U. S. CATTLE ON FEED

Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 10.7 million head on February 1, 2003. The inventory was 8 percent below February 1, 2002 and 11 percent below February 1, 2001. **Placements** in feedlots during January totaled 2.14 million, 2 percent below 2002 and 6 percent below 2001. Net placements were 2.06 million. During January, placements of cattle and calves weighing less than 600 pounds were 433,000, 600-699 pounds were 587,000, 700-799 pounds were 706,000, and 800 pounds and greater were 409,000. **Marketings** of fed cattle during January totaled 1.97 million, down 5 percent from 2002 and down 4 percent from 2001. **Other disappearance** totaled 75,000 during January, 16 percent below 2002 and 4 percent below 2001.

United States: Cattle on Feed
1,000+ Capacity Feedlots



UNITED STATES EGG PRODUCTION & HATCH

Type	Jan. 2002	Jan. 2003	Jan. 03 % of Jan. 02
Egg Production			
Eggs Produced (Million)	7,264	7,337	101
Average Layers (000)	338,966	338,122	100
Eggs Per 100 Layers	2,143	2,170	101
Egg Type Hatchery			
Eggs Set Feb. 1 (000)	32,025	27,540	86
Chicks Hatched (000)	35,533	33,499	94
Broiler Type			
Eggs Set Feb. 1 (000)	637,582	629,525	99
Chicks Hatched (000)	775,669	759,773	98

KENTUCKY CROPS VALUED AT \$1.38 BILLION

Crops produced by **Kentucky** farmers during the year 2002 were valued at \$1.38 billion, down 6 percent from the 2001 crop valued at \$1.47 billion. Kentucky crop production for 2002 was limited by a hot, dry summer. Crop yields were down statewide but varied greatly. Prices were up for all crops except hay that remained unchanged. Tobacco remained Kentucky's number one cash crop despite the 10 percent decrease in value of production from 2001. Tobacco accounted for 33.0 percent of Kentucky's total crop value for the year 2002 and 26.4 percent of the U.S. value of tobacco produced. Baled hay increased in value while corn decreased in value. Soybeans increased in value while wheat decreased. Kentucky ranked 22nd among all states in value of

production. The value of production for the year 2002 is preliminary and based on an estimate of market year average prices. Value of production will change as market year average price and/or production are revised.

All crops produced in the **U.S.** for 2002 were valued at \$94.7 billion, up 7 percent from 2001. California remained the number one State with a total crop value of \$15.5 billion. Iowa was second with \$7.58 billion, and Illinois ranked third with \$6.50 billion. The Nation's top three crops in value of production were corn with \$21.2 billion, soybeans with \$14.8 billion and all baled hay with \$12.4 billion.

KENTUCKY PRINCIPAL CROPS RANKED ACCORDING TO VALUE OF PRODUCTION-2001 AND 2002

2002 Rank	Commodity	Unit	2001 Crop Year 1/			2002 Crop Year 2/			02 Value as % of 01 Value
			Price (Dollars)	Value (\$1,000)	% of Total Value	Price (Dollars)	Value (\$1000)	% of Total Value	
1.	Tobacco, All	Lb.	1.985	505,436	34.3	2.013	455,725	33.0	90
2.	Hay (baled)	Ton	71.00	359,998	24.4	71.00	360,270	26.1	100
3.	Corn (for grain)	Bu.	2.08	324,896	22.1	2.55	270,504	19.6	83
4.	Soybeans	Bu.	4.47	218,136	14.8	5.75	235,463	17.0	108
5.	Wheat	Bu.	2.50	59,400	4.0	3.00	54,060	3.9	91
6.	Sorghum, Grain	Bu.	1.92	1,628	.1	2.66	2,195	.2	135
7.	Fruit & Vegetables			2,907	.2		1,926	.1	66
8.	Barley	Bu.	1.43	972	.1	1.50	768	.1	79
9.	Miscellaneous			52	*		71	*	137
	TOTAL			1,473,425			1,380,982		94

1/ Revised. 2/ Preliminary. * Less than .1%

KENTUCKY FARM NUMBERS INCREASE

There were 89,000 farms in **Kentucky** during 2002, up 1,000 farms from the previous year. The average size of Kentucky farms, at 153 acres, was down 2 acres from 2001. A farm is defined as "any establishment from which \$1,000 or more of agricultural products were sold or would normally be sold during the year". Government payments are included in sales. Institutional farms as well as experimental and research farms are included as farms. Places with their entire acreage enrolled in the government programs such as the Conservation or Wetland Reserve programs are considered farms. Nationally, Kentucky ranks fifth in number of farms. States with more farms than Kentucky include Texas with 230,000, Missouri with 107,000, Iowa with 92,500 and Tennessee with 90,000. Of the 89,000 Kentucky farms, 49,000 had sales of \$1,000-\$9,999, 33,500 had sales of \$10,000-\$99,999 and 6,500 had sales of \$100,000 or more. Land in farms remained constant at 13.6 million acres. Farmland accounted for 54 percent of the approximate 25.4 million total acres in Kentucky.

The number of farms in the **United States** in 2002 was estimated at 2.16 million, up 0.1 percent from 2001. The increase in farms occurred primarily in agricultural operations with \$1,000-\$9,000 in sales. Total land in farms, at 941.5 million acres, increased 170,000 acres from last year. The average size of farm at 436 acres, decreased one acre from 2001. The increase in the number of farms and land in farms primarily resulted from the inclusion of pasture only farms in 2002. The U.S. number of agricultural operations in the economic sales class \$1,000-\$9,999 increased 1.0 percent to 1,172,770 in 2002. Farms with sales in the \$10,000-\$99,999 economic class decreased 0.9 percent from 2001 to 637,160 operations. The number of farms with sales over \$100,000 at 348,160 decreased 1.1 percent. Dry weather, below normal yields, and lower commodity prices contributed to the shifting of farms among the economic sales classes.

Internet Access: Kentucky Agricultural Statistics Service (KASS) data including this report are available free of charge on our Internet homepage located at <http://www.nass.usda.gov/ky>. Links to the Kentucky Department of Agriculture, the University of Kentucky Agricultural Weather Center and other web sites related to Kentucky Agriculture are also included. National & State reports and data are available on the National Agricultural Statistics Service (NASS) homepage located at <http://www.usda.gov/nass/>